(Continued from First Page.)

in the suppression of the native government and the sitempted substitution of an imand the attempted substitution of an inpracticable composite administration, in treaty as signally illustrating the appropriate which Nicaragus and alien residents were to of entangling alliances with foreign powers and on May 9, 1894, in response to a resoluparticipate. Failure was followed by an in-surrection which, for a time, subverted Nicar-aguan rule, expelling her officers and restor-and documents to that body on the same ing the old organization. This in turn gave subject which emphasized my previously explace to the existing local government estab-lished and upheld by Nicaragus. Although correspondence in regard to which will be the alien interests arrayed against Nicaragua laid before congress, further demonstrate in these transactions have been largely that the government which was devised by American, and the commerce of that region the three powers and forced upon the Samoans against their inveterate hostility can be madicalled only by continued on the continu controlled by our citizens, we can not for can be maintained only by continued presence that reason challengs the rightful sovercignty of Nicaragua over this important part is acrifice of life and treasure. The suppression of her domain. For some months one, and during part of the time, two of our naval ships have been stationed at Bluefields for the protection of all legitimate interests of our last message, did not bring lasting protection of all legitimate interests of our citizens. In September last the government at Managua expelled from its territory twelve continued and finally a rebellion broke out or more foreigners, including two Americans, for alleged participation in the seditious or revolutionary movements against the republic at Bluefields already mentioned; but through the earnest remenstrance of this government the two Americans have been permitted to return to the peaceful management of their business. Our naval commanders at the scene of these disturbances, by their constant exhibition of firmness and good judgment, contributed largely to the prevention of more serious consequences and to the restoration of quiet and order.

NO HELP FOR THIS MATTER. I regret that in the midst of these occurrences there happened a most grave and irritating failure of Nicaraguan justics. An American citizen named Wilson, residing at Rams, in the Mosquito territo y, was murdered by one Arguello, the acting governor of the town. After some delay the murderer was arrested, but so insecurely confined or

recapture has been impossible by reason of his flight beyond Nicaraguan jurisdiction. The Nicaraguan authorities, having given canal company on grounds purely t chnical and not embraced in the contract, have receded from that position.

slowness of her recupe ation from the dis-tresses of the war of 1881. Weakened in recourses, her difficulties in facing international obligations invite our kindly sympathy and justify our forbearance in pressing pending claims. I have felt constrained to testify this sympathy in connection certain demands urgently preferred by other

IMPORTANT RELATIONS WITH RUSSIA The recent death of the czar of Russia tion of the parties is still far off. called forth appropriate expressions of sor- And in a note of the 10th ult second only to our own. A modus vivendi quility in the islands."
was therefore concluded with the imperia! The present government operations have been extended infougnout the foundations of our free porations to transact business in the United States, we naturally expect no less tolerance for our own in the ample fields of competition abroad. But few cases of interference with naturalized citizens returning to Russia have been reported during the current year.

Constitutions, and I invite an expression of the judgment of congress on the propriety of steps being taken by the government looking to the withdrawal from its engagements with the other powers on some reasonable terms not prejudicial to any of our existing rights.

CONDITION OF THE EXCHEQUER.

THAT EZETA INCIDENT The government of Salvador having been overthrown by an abrupt popular outbreak certain of its military and civil officers while hotly pursued by infuriated insurgents sought refuge on board the United States war ship ot favored by this government, yet in view of the imminent peril which threatened the of the imminent peril which threatened the fugitives and solely from considerations of humanity, they were afforded shelter by our naval commander, and when afterward de-manded under our treaty of extradition with Salvador for trial on charges of murder, arson and robbery I directed that such of them as had not voluntarily left the ship be-conveyed to one of our nearest ports, where a hearing could be had before a judicial o compliance with the terms of the On their arrival at San Francisco such a proceeding was promptly instituted before the United States district judge, who held that the acts constituting the alleged offenses were political and discharged all the accused except one Clenfuegos, who was held for an attempt to murder. Thereupon I was constrained to direct his release, for the reason that an attempt to murder was not one of the crimes charged against him, and upon which his surrender to the Salvadorean

authorities had been demanded. SPAIN DESERVES ATTENTION.

Unreasonable and unjust fines imposed by Spain on the vessels and commerce of the United States have demanded from time to time during the last twenty years earnest remonstrance on the part of our government. In the immediate past exerbitant penalties have been imposed upon our vessels and goods by customs authorities of Cuba and Porto Rico for cierical errors of the most trivial character in the manifests or bills of lading. In some cases fines amounting to thousands of dollars have been levied upon MONEY EXISTING AND CIRCULATING. cargoes or the carrying vessels when the goods in question were entitled to free entry. Fines have been exacted even when the error has been detected and the Spanish authorities notified before the arrival of the

The Mora case referred to in my last annual message remains unsettled. From the diplomatic correspondence on this subject which has been laid before the senate it will be seen that this government has offered which, having been long ago ad-now only awaits payments as stipuobstacles encountered by the Spanish govern-ment in providing payment of the Mora Indemnity. I regret to say that no definite reply to this offer has yet been made and all efforts to secure payment of this settled claim have been unavailing.

AMERICAN CITIZENS IN ARMENIA. In my last annual message I adverted to the claim on the part of Turkey of the right to expel, as persons undesirable and dat gerous, Armenians naturalized in the United States and returning to Turkish it is specified in the states and returning to Turkish it is specified in the states and returning to Turkish it is specified in the states and returning to Turkish it is specified in the silver dollars: \$6.024,140.30 in subsidiary silver coin and \$716,919.26 in minor coin.

During the calendar year 1893 the production of precious metals in the United States imprisoned or otherwise punished for no other reason than having acquired without consent American citizenship. Three of the assailants of Miss Melton, an American teacher in Mosul, have been con-

March 1, 1895, and invitations have been ex-tended to all maritime nations to adhere to them. Favorable responses have thus far received from Austria, France, Portugal, Spain and Sweden.

WILLING TO DROP SAMOA. In my last amual message I referred

briefly to the unsatisfactory state of affairs in Samoa under the operation of the Berlin in the capitol island, Upolul, headed in Anna, the western district, by the younger Tamasese, and in Atua, the eastern district by other leaders. The insurgents ravaged the country and fought the government's troops up to the very dears of Apis. The king again appealed to the powers for help and the combined British and German naval forces reduced the Atuans to apparent sub-jection. Not, however, without considerable loss to the natives. A few days later Tamasese and his adherents, fearing the ships and the marines, professed submission. Reports received from our agents at Apia do not justify the belief that the peace thus brought about will be of long duration. their conviction that the natives are at heart hostile to the present government; that such of them as profess loyalty to it do so from fear of the powers, and that it would speedily go to pieces if the war ships were withdrawn. In reporting to his government on the unsatisfactory situation since the suppression of the late revolt by foreign armed forces the German consul at Apia stated: guarded that he escaped, and netwithstanding our repeated demands it is claimed that his

NATIVES ARE SHAMMING PEACE. That peace will be lasting is hardly to be Atua was not sufficiently sharp and incisive to leave a lasting impression on the forget ful Samoan temperament. In fact, conditions are existing which show that peace will Peru. I regret to say, shows symptoms of hot last and is not seriously intended. domestic disturbance, due probably to the Malieton, the king, and his chiefs are convinced that the departure of the war ships will be a signal for a renewal of war. The circumstance that the representatives of the villages of all the districts which were opposed to the government have already with drawn to Atua to hold meetings, and that both Atua and Aana have forbidden inhabitants of those districts which fought on the side of the government to return to their villages and have already partly burned down the latter indicates that a real concilia-

And in a note of the 10th ult., enclosing row and sympathy on the part of our govern-ment with his bereaved family and the Russian people. As a fu-ther demonstration said: "The contents of the report awakened of respect and friendship, our minister at the imperial government to the apprehension St. Petersburg was directed to represent our that under existing circumstances the peace government at the funeral ceremonies. The corcluded with the rebels will afford no as-sealing interests in Russia in Bering sea are surance of the lasting restoration of tran-

second only to our own. A modus vivendly was therefore concluded with the imperial government, restrictive of posching on the government, restrictive of posching on the the stands. The present government has utterly failed to correct, if indeed it has not aggravated the very evils it was intended to prevent. It has not stimulated our commerce with the tected area defined in the Paris award. Oc- islands. Our participation in its establishcasion has been found to urge upon the ment against the wishes of the natives was Russian government equality of freatment for in plain defiance of the conservative teachour great life insurance companies, whose operations have been extended throughout men who laid the foundations of our free

> revenue \$147,168,449.70. The balance of the income for the year, amounting to \$93.815.517.97, was derived from the sales of

lands and other sources. The value of our total dutiable imports amcunted to \$275,199,086, being \$146,657,625 Bennington, then lying in a South American amounted to \$275,199,086, being \$146,657,625 port. Although the practice of asylum is less than during the preceding year, and the importations free of duty amounted to \$379,-795,536, being \$64,748,675 less than during the preceding year. The receipts from customs were \$73,536,486.11 less, and from int revenue \$13,836,539.97 less than 1893. The total tax collected from distilled spirits was \$85,259,250.25; on manufactured tobacco \$8,617,898.62, and on fermented liquors \$31,-

> Our exports of merchandise, domestic and foreign, amounted during the year to \$892,-140,572, being an increase over the preceding year of \$44,495,378.

ear of \$44,495,378.

The total amount of gold exported during he fiscal year was \$76,898,961, as against \$108,680,444 during the fiscal year 1893. The amount imported was \$72,449,119, as against \$21,174,381 during the previous year. The

\$21,174,381 during the previous year. The imports of silver were \$13,286,552 and the exports were \$59,451,265.

The total bounty paid upon the production of sugar in the United States for the fiscal year was \$12,100,298.89, being an increase of \$2.725,978.01 over the payments made during the preceding year. The amount of bounty paid from July 1, 1894, to August 28, 1894, the time when further asymmetric as well as \$12.725. the time when further payments ceased by operation of law, was \$956,185.84. The total expense incurred in the payment of the cunty upon sugar during the fiscal year was \$130,140.85.

It is estimated that upon the basis of our present revenue laws the receipts of the government during the current fiscal year ending June 30, 1895, will be \$424,427,748.44, and its expenditures \$444,427,748.44, resulting in a deficit of \$20,000,000.

On the 1st day of November, 1894, the total stock of money of all kinds in the ountry was \$2,240,773,888, as against \$2,204,-651,000 on the 1st of November, 1893, and the money of all kinds in circulation or not in-cloded in the treasury holdings was \$1,672,to conclude a convention with Spain for dis-posal by arbitration of outstanding claims of \$8,715,521.32, an average cost of \$0.7313 between the two countries, except the Mora per fine ounce. The total amount of silver claim, which, having been long ago adinsted, now only awaits payments as stipulated, now only awaits payments as stipulated, and of course it could not be included in the proposed convention. It was hoped that this offer would remove parliamentary obstacles encountered by the Spanish govern
obstacles encountered by the Spanish governthe mints of the United States since the passage of the act of February 28, 1889, is \$121,776,498, of which \$378,156,793 wers coined under the provisions of that act. \$38.531,143 under the provisions of the act of July 14, 1890, and \$5.078,472 under the act providing for the coinage of trade dollar bullion. The coinage of all metals of our mints during the last fiscal year consisted of 63,485,220 pieces valued at \$106,216,730.06, of which there were \$99,474,912.50 in gold coined; \$758 in standard

was estimated at 1,739,323 fine ounces of gold, of the commercial and coinage value of \$35,955,000 and 69,000,000 fine cunces of silver of the bullion or market value of \$15,890,000, and of the coinage value of \$77,576,000. It is American teacher in Mosul, have been conAmerican teacher in Mosul, have been conyieted by the Ottoman courts and I am
advised that an appeal against the acquittal
at the stock of metallic money in the United
st the remaining five has been taken by the
states, consisting of coin and bullion,
amounted to \$1.251.640,958, of which \$627. estimated that on the 1st day of July, 1894, the stock of metallic money in the United

provious year, and the surplus fund and un-963 more. The total resources of the banks at the date mentioned amounted to \$3,473,-922,055, as against \$3,109.563,284.36 in 1893. The total resources of the banks

AFFAIRS OF OUR LITTLE ARMY. From the report of the secretary of war it appears that the strength of the army on September 30, 1894, was 2,135 officers and 25,765 enlisted men. Although this is apparently a very slight decrease compared with the previous year, the actual effective force has been increased to the equivalent of nearly two regiments through the reorganizaconsequent release to regimental duty of the large force of men hitherto serving at the recruiting depots. The abolition of these depots, it is predicted, will furthermore effect an annual reduction approximating \$250,000 in the direct expenditures, besides promoting rally the health, morals and discipline of the troops.

The execution of the policy of concentrating the army at important centers of popula-tion and transportation, foreshadowed in the annual report of the secretary, has resulted in the abandonment of fifteen of the smaller posts, which was effected under a plan which assembles organizations of the same regi-ments hitherto widely separated. This renders our small forces more readily effec-tive for any service which they may be called upon to perform, increases the extent of the territory under protection without diminishing the security heretofore afforded to any locality, improves the discipline, training and esprit de corps of the army, besides considerably decreasing the cost of its main-

Though the forces of the Department of the East have been somewhat increased, more than three-fourths of the army is still stationed west of the Mississippi. This carefully matured policy, which secures the best and greatest service in the interest of the general welfare from the small force com-prising our regular army, should not be thoughtlessly embarrassed by creation of new and unnecessary posts through acts of congress to gratify the ambitions or interests of localities

ONLY A FEW MORE NEEDED While the maximum legal strength of the army is 25,000 men the effective strength, through various causes, is but little over 20,000 men. The purpose of congress does not, therefore, seem to be fully attained by the existing conditions. While no considerable increase in the army is, in my judgment, demanded by recent events, the policy of seacoast fortification, in the prosecution of which we have been steadily engaged for some years, has so far developed as to suggest that the effective strength of the army now made at least equal to the legal strength. Measures taken by the department during the year as indicated have al-ready considerably augmented the effective force, and the secretary of war presents a plan which I recommend to the consideration of congress to attain the desired end. Economies effected in the department in other lines of work will offset to a great extent the expenditures involved in the prop-

osition submitted.
Among other things this contemplates the of the three-battalion formation of regiments, which for several years has been endorsed by the secretaries of war and the generals commanding the army. Compact in itself, it provides a skeleton organization, ready to be filled out in the event of war, which is peculiarly adapted to our strength and requirements; and the fact that every ings and warnings of the wise and patriotic men who laid the foundations of our free institutions, and I invite an expression of the of modern warfare should alone secure for recommendation an early consideration.

HAD TO PUT DOWN DEBS. It is hardly necessary to recall the fact that in obedience to the commands of the constitution and the laws, and for the pur-pose of protecting the property of the United proof was thus afforded that the army deserves that complete confidence in its efficiency and discipline which the country has at all times manifested.

The year has been free from disturbances of Indians and the chances of further depredations on their part are constantly becoming more remote and improbable.

The total expenditures for the War depart ment for the year ending June 30, 1894, amounted to \$56,039,009.34. Of this sum \$2,000,614.99 was for salaries and contingent expenses; \$23,665,156.16 for the support the military establishments: \$5,001,682.23 for miscellaneous objects and \$25,371,550.96 for public works. This latter sum includes \$19,494,037.49 for river and harbor improvements and \$3,947,863.56 for fortifications and other works of defense. The appropriations for the current year aggregate \$52,429,112.73 and the estimates submitted by the secretary of war for the next fiscal year call for ap-

READY TO DEFEND THE COASTS. The skill and industry of our ordnance officers and inventors have, it is believed, overcome the mechanical obstacles which have heretofore delayed the armament of our coasts, and this great national undertaking upon which we have entered may now proceed as rapidly as congress shall determine. With a supply of finished guns of large call-ber already on hand, to which additions should now rapidly follow, the wisdom of

their mount cannot be too strongly urged. The total ecrollment of the militia of the several states is 117,533 officers and enlisted men, an increase of 5,343 over the number reported at the close of the previous year. The reports of militia inspections by regular army officers show a marked increase in interest and efficiency in the state organizations, and I strongly recommend a conticuance of the policy of affording every practical encouragement possible to auxiliary of our military establishment.

The condition of the Apache Indians, held as prisoners by the government for eight treatment extended to Spanish vessels and cargoes in our ports in like cases. No satisfactory suttlement of these vexatious questions has yet been reached.

The Mora case research. time there was held in the treasury old partial civilization. Legis'ation enacted at the bullion amounting to \$14,615,177.55, and silver late session of congress gave the War dey last bullion which was purchased at a cost of From \$127.779,888. The purchase of silver bullion numbering 346, from Mount Vernon Barnumbering 346, from Mount Vernon Bar under the act of July 14, 1890, ceased on the 1st day of November, 1893, and up to that time there had been purchased during the home the military lands near Fort Silf, I. T. tion. The department selected as their future home the military lands near Fort Sill, I. T. cost where under military surveillance the former 1.7313 prisoners have been established in agriculture under conditions favorable to their advance-

In recognition of the long and distinguished military services and faithful discharge of delicate and responsible civil duties by Major gress that the temporary revival of the grade of lieutenant general in his behalf would be a just and gracious act, and would perm'a his retirement, now near at hand, with rank befitting his merits.

ADDITIONAL CIRCUIT JUDGES. The report of the attorney general notes the gratifying progress made by the supreme court in overcoming the arrears of its busi-ness and in reaching a condition in which it will be able to dispose of cases as they arise without any unreasonable delay. This result is, of course, very largely due to the successful working of the plan inaugurating eircuit courts of appeal. In respect to these tribunals, the suggestion is made, in quarters entitled to the highest consideration, that an additional circuit judge for each circuit would greatly strengthen these courts and the fidence reposed in their adjudications, and that such an addition would not deate a greater force of judges than the increasing

Venezuela for the arbitration of a long disputed claim growing out of the seizure of certain vessels, the property of citizens of the United States although signed, the treaty of extradition with Venezuela is not yet in force, owing to the insistance of that the superindent that, when surrendered, its citizens shall in no case be liable to capital of \$1.251,640,958, of which severage at sea, which were framed by the maritime conference held in this city in 1880, having been concurrently incorporated in the statutes of the United States and Great

amounted to \$1.251,640,958, of which \$827, of which \$827, of which \$827, of which severage in the arcompanied by recommendations, many of which have been treated at large in previous messages and at this time, therefore, a capital of \$5.285,000, and seventy-nine with a c

of much importance is the condition of the divided profits, less expenses and taxes paid, administrating of justice in Indian Territory, amounted to \$324,121,082.19, which was \$15,-989,780 less than on October 31, 1893.

The circulation was decreased \$1,741,563. The circulation was decreased \$1,741,563.

The obligations of the banks to each other were increased \$117,268,331 and the individual deposits were \$277,294,489 less than at the corresponding date in the previous year, and checks and other cash items were \$90,349, 193 more. The telepropers of the banks at the corresponding date in the previous year, and checks and other cash items were \$90,349, 193 more. The permaner, splution of what is called the findian problem's probably not to be expected at once, but meanwhile such ameliorations of present conditions as the existing system will admit of ought took to be neglected. I ameliorately splution of what is called the findian problem's probably not to be expected at once, but meanwhile such ameliorations of present conditions as the existing system will admit of ought took to be neglected. I ameliorately splution of what is called the findian problem's probably not to be expected at once, but meanwhile such ameliorations of the banks to each other admit of ought took to be neglected. I ameliorately splution of what is called the findian problem's probably not to be expected at once, but meanwhile such ameliorations of the banks to each other admit of ought took and the findian problem's probably not to be expected at once, but meanwhile such ameliorations of the banks at the contraction of the problem's problem's probably not to be expected. judges, and that this court should sit within the territory and have the same jurisdiction as to territorn affairs as is now vested in the federal course sitting in Arkaneas and Texas.

UNION PACIFIC REORGANIZATION. Another subject of pressing moment referred to by the attorney general is the reor-ganization of the Union Pacific Railroad company on a basis equitable as regards all private interests and as favorable to the government as existing conditions will permit. The operation of a railroad by a court through a eceiver is an anomalous state of things which should be terminated on all grounds, public and private, at the earliest possible moment. Besides, not to enact the needed enabling legislation at the present session postpones the whole matter until the assembling of a new congress and inevitably increases all the complications of the situation, and could not but be regarded as a signal failure to solve a problem which has practically been before the present congress ever since its organization.

Eight years ago, in my annual message, urged upon the congress as strongly as I least \$12,000,000.

The secretary presents with much earnest-prisoners. A similar recommendation has been made from time to time since, and a long term of the configuration of th in which federal prisoners are confined. I the number of battle ships and torped simply desire to again urge former recommendations on the subject, and to particularly call the attention of the congress to that part of the report of the secretary of war in which he states that the military prison at Fort Leavenworth, Kan., can be turned over to the government as a prison for federal convicts without the least difficulty and with an actual saying of money.

rending a more complete reform. I hope that by the adoption of the suggestion of the secretary of war this easy step may be taken in the direction of the proper care of its convicts by the government of the United States. States.

BOGUS NEWSPAPERS IN THE MAILS. The report of the postmaster general presents a comprehensive statement of the oper-ations of the Postoffice department for the last fiscal year. The receipts of the department during the year amounted to \$75,080,-479.04, and the expenditures to \$84,324,414.15. The transactions of the postal service indicate with barometric certainty the fluctuation in the business of the country. Inasmuch, therefore, as business complications continued to exist throughout the last year to an un-forseen extent, it is not surprising that there was a deficiency of revenue to meet the expenditures of the Postoffice department, which was estimated in advance at about \$80,000,000. The ascertained in advance at about \$50,000,000.
The ascertained revenues of the last year, which were the basis of calculation for the current year, being less than estimated, the deficiency for the current year will be correspondingly greater, though the postmaster general states that the latest indications are so favorable that the confidently predicts an increase of at least 8 per cent in the revenues of the current year over those of the last voor. The expenditures increase steadily and nec

essarily with the growth and needs of the country, so that the deficiency is greater or less in any year depending upon the volume of receipts. The postmaster general states that this deficiency is unnecessary and might range of publications, and created abuses the cost of which amount in the aggregate to the total deficiency of the Postoffice department. Pretended newspapers are started by business houses for the mere purpose of advertising goods, complying with the law in form only, and discontinuing the publications as soon as the period of advertising is over. "Sample copies" of pretended newspapers are issued in great numbers for a like purpose only. The result is a great loss of revenue to the government, besides its humiliating use as an agency to aid in carrying out the scheme of a business house to advertise its goods by means of a trick upon both its rival houses and the regular and legitimate newspapers.
Paper-covered literature, consisting mainly

of trashy novels, to the extent of many thousands of tons, is sent through the mails at 1 cent per pound, while the publishers of standard works are required to pay eight times that amount in sending their publications. Another abuse consists in the free carriage through the mails of hundreds of tons of seed and grain, uselessly distributed through the Department of Agriculture. The postmaster general predicts that if the law be so amended as to eradicate these abuses not only will the Postoffice department show no deficiency, but he believes that in the near future all legitimate newspapers and periodical magazines might be properly transmitted through the mails to their subscribers free of cost. I invite your prompt consideration of this subject, and fully endorse the views of the postmaster general.

FIGURES ABOUT POSTOFFICES.

The total number of postoffices in the United States on the 30th day of June, 1894, was 69,805, an increase of 1,403 over the preceding year. Of these 3,428 were presidential, an increase in that class of sixty eight over the preceding year.

Six hundred and ten cities and towns are provided with free delivery, ninety-three other cities and towns entitled to this service under the law have not been accorded it on account of insufficient funds. The expense of free delivery for the current fiscal year will be more than \$12,300,000, and under existing legislation this item of expenditure is subject to constant increase. The estimated cost of rural free delivery generally is so very large that it ought not to be considered in the present condition of affairs.

During the year 830 additional domestic money order offices were established. The total number of these offices at the close of the year was 19 265. There was 14 266 the year was 19,266. There were 14,408,041 money orders issued during the year, being an increase over the preceding year of 994,306. The value of these orders amounted to \$138,-793,579.49, an increase of \$11.217,145.84. There were also issued during the year postal notes amounting to \$12,649,094.55. During the year 218 international money order offices were added to these already established, making a total of 2,625 such offices in operation June 30, 1894. The number of international money orders (saued during the year was money orders issued during the year was 917,823, a decrease in number of 138,176; and their value was \$13,792,455.31, a decrease in amount of \$2,549,382.55. The number of orders paid was 361,180, an increase over the preceding year of 60,263, and their value was \$6,568,493.78, an immease of \$1.285,118.08. From the foregoing statements it appears that the total sisse of money orders and postal notes for the year amounted to \$165,-

235,129,35 The number of letters and packages mailed during the year for special delivery was 3,436,970. The special delivery stamps used upon these letters and packages amounted to \$343,697. The messenger fees paid for their delivery amounted to \$261,209.70, leaving a balance in favor of the government of

ECONOMIES WORKED OUT. The report shows most gratifying results

few years ago a law was passed providing for heretofore authorized, including those now the selection of sites for these institutions, nearing completion, will constitute a fleet, No appropriation has, however, been made to cary the act into effect, and the old and discreditable condition still exists. It is not now completed and in process of construction my purpose at this time to repeat the considerations which make an impregnable case in favor of the ownership and management by the government of the penal institutions

from every point of view.

included in the appropriation for the coming I recommend that provision be made for the construction of additional battle ships and torpedo boats.

MORE ORDNANCE NEEDED. The secretary recommends the manufacture ot only of ordnance and ordnance material for ships of the navy, but also a supply for the auxiliary fleet. Guns and their appurte nances should be provided and kept on hand for both these purposes. We have not today a single gun that could be put on the ships Paris or New York of the International Navigation company or any other ship of our re-serve navy. The manufacture of guns at the Washington navy yard is proceeding satisfactorily and none of our new ships will be required to wait for their guns or ordnance equipment.

An important order has been issued by the secretary of the navy co-ordinating the duties of the several bureaus concerned in the construction of ships. The order, it is believed, will secure to a greater extent than has heretofore been possible the harmonious action of these several bureaus, and make the attainment of the best results more cer-

tain. During the past fiscal year there has been an unusual and pressing demand in many quarters of the world for the presence of vessels to guard American interests. In Janbe obviated at once if the law regulating rates upon mail matter of the second class was modified. The rate received for the transmission of this second-class matter is transmission of the government is eight times that amount. In the general terms and the law this way and the coat of such transmission. In the general terms and the law this second-class matter is such wholesome indicates the personnal and commercial rights of our citizens such matters. One Rizeminski was arrested has summer in a Polish proxing, on a reported charge of impermitted remained in alleged maifeasance committed by Kizeminski while an imperial officer a priginated in alleged maifeasance committed by Kizeminski while an imperial officer a lease, which promised to \$69,803,260,58. There was a delease, which promised to be successful, were in progress when his death was reported charge of the government from all sources of revenue during the fiscal year ended June 30, 1894, amounted to \$372,802,498,29 and its summer to the government of its legitimate functions, it becames pecessary in various lease, which promised to be successful, were in progress when his death was reported charge of the government from all sources of revenue during the fiscal year ended June 30, 1894, amounted to \$372,802,498,29 and its summer in protecting the property of the United States, aiding the process of federal courts and removing lawless obstructions to the period of the government is eight times that amount. In the general terms of the law this date covers newspapers and periodicals. The extensions of the United States, aiding the process of federal courts and removing lawless obstructions to the periodicals and removing lawless obstructions to the periodical and removing lawless obstructions to the periodicals and remiration of this second-class matter is to the federal courts and

Japan has rendered it necessary or expedient to dispatch eight vessels to those waters.

Both the secretary of the navy and the secretary of the treasury recommend the transfer of the work of the coast survey proper to the Navy department. I heartily ocur in this recommendation. Excluding Alaska and a very small area besides, all the work of mapping and charting out the coast has been completed. The hydrographic work, which must be done over and over again by reason of the shifting and varying depths of water consequent upon the action of streams and tides, has heretofore been done under the direction of naval officers in subordination to the superintendent of the coast survey. There seems to be no good reason why the navy should not have entire charge hereafter of such work, especially as the hydrographic office of the Navy department is now, and has been for many years, engaged in making efficient maps entirely similar to those prepared by the coast sur-

CIVIL SERVICE IN THE NAVY.

CIVIL SERVICE IN THE NAVY.

I feel it my imperative duty to call attention to the recommendation of the secretary in regard to the personnel of the line of the navy. The stagnation of promotion in this vital branch of the service is so great as to seriously impair its efficiency. I consider it of the utmost importance that the young and middle-aged officers should, before the eve of retirement, be permitted to reach a grade entitling them to active and important duty.

The system adopted a few years ago regulating the employment of labor at the navy yards is rigidly upheld and has fully demonstrated its usefulness and efficiency. It is within the domain of civil service reform, inasmuch as workmen are employed through a board of labor selected at each navy yard and are given work without reference to politics and in the order of their application, preference, however, being given to army and navy veterans and those having former navy yard experience. Amendments suggested by experience have been made to the rules regulating the system. Through its operation the work at our navy yards and the opportunity to work has been honestly and fairly awarded to willing and competent applicants. It is hoped that if this system continues to be strictly adhered to, there will soon be as a natural consequence such an equalization of party benefit as will remove all temptation to relax or abandon it.

The PUBLIC DOMAIN.

THE PUBLIC DOMAIN. The report of the secretary of the interior exhibits the situation of the numerous and interesting branches of the public service connected with his department. I commend

exhibits the situation of the numerous and interesting branches of the public service connected with his department. I commend this report and the valuable recommendations of the secretary to the careful attention of the congress.

The public land disposed of during the year amounted to 10,406,100.77 acres, including 28,876.08 of Indian lands. It is estimated that the public domain still remaining amounts to a little more than 500,000,000 acres in Alaska, as well as military reservations and railroad and other sections of lands yet unadjudicated.

The total cash receipts from sale of lands amounted to \$2,574,285.79, including \$91,981.03 received for Indian lands. Thirty-five thousand patents were issued for agricultural lands and 3,100 patents were issued to Indians on allotments of their lands in severally, the land so allotted being inalienable by the Indian allottees for a period of twenty-five years after patent. There were certified and patented on account of railroad and wagon road grants during the year \$,655,648 acres of land, and at the close of the year 29,000,000 acres were embraced in the lists of selections made by railroad and settlement. The selections of swamp lands, and that taken as indemnity therefor since the passage of the act providing for the passage of states. About 138,000 acres were patented during the last year. Nearly 820,000 acres of school and education grants were approved during the year.

It appears that the appropriation for the current year on account of special service for the protection of the public lands and the timber thereon is much less than those for previous years and inadequate for an efficient performance of the work. A larger sum of money than has been appropriated during a number of years past on this account has been returned to the government as a result of the labors of those employed in the particular service mentioned, and I hope it will not be crippled by insufficient appropriation.

PROTECTION FOR THE FORESTS.

I fully endorse the recommendations of the

PROTECTION FOR THE FORESTS. tion to federal officers; the enlargement of the powers of United States commissioners at least in the territories; the allowance of writs of error in criminal cases on behalf of the United States, and the establishment of degrees in the crime of murder.

A topic dealt with by the attorney general

will be taken in the direction of perfecting preparations for that event.

The positionaire renews the suggestion made the property in the pro

of these cases are appealed annually from the commissioner to the sectorary of the commissioner to the sectorary of the commissioner to the sectorary of the appeals must be almost perfunctory and bused upon the cambalien of other control of these appeals must be almost perfunctory and bused upon the cambalien of other control of these appeals must be almost perfunctory and bused upon the cambalien of other control of these appeals must be almost perfunctory and bused upon the cambalien of other control of the perfunctory and the perfunctory of the perfunction of the perfunctio

ARMY OFFICERS AS AGENTS.

The indications are that the detail of army officers as Indian agents will result in improved management of the reservations. Whenever allotments are made and any Indian on the reservation has previously settled upon a tot and cultivated it, or shown a disposition to improve it in any way, such lot should certainly be allotted to him, and this should be made plainly obligatory of statute. In the light of experience, and considering the uncertainty of the Indian situation and its exigencies in the future, I am not only disposed to be very cautious in making allotments, but I incline to agree with the secretary of the interior in the opinion that when allotments are made the belance of reservation land ARMY OFFICERS AS AGENTS. incline to agree with the secretary of the interior in the opinion that when allotments are made the balance of reservation land remaining after allotment, instead of being bought by the gowernment from the Indians and opened for settlement, with such scandals and unfair practices as seem unavoidable, should remain for a time, at least, as common land, or be sold by the government on behalf of the Indians in an orderly way and at fixed prices to be determined by its location and desirability, and that the proceeds, less expenses, should be held in trust for the benefit of the Indian proprietor.

in trust for the benefit of the Indian proprietor.

The intelligent Irdian school management of the past year has been followed by gratifying results. Efforts have been made to advance the work in a sound and practical manner. Five institutes of Indian teachers have been held during the year and have proved very beneficial through the views exchanged and methods discussed particularly applicable to Indian education. Efforts are being made in the direction of a gradual reduction of the number of Indian contract schools, so that in a comparatively short time they may give way altogether to government schools, and it is hoped that the change may be so gradual as to be perfected without too great expense to the government or due disregard of investments made by those who have established and are maintaining such contract schools.

The appropriation for the current year.

established and are maintaining such contract schools.

The appropriation for the current year ending June 30, 1895, applicable to the ordinary expenses of the Indian service amounts to \$5,733,005.18, being less by \$663, 3w,64 than the sum appropriated on the same account for the previous year.

THE PENSION ROLL.

also undoubtedly saved.

MEAT INSPECTION.

The appropriation to the bureau of animal industry was \$550,000 and the expenditures for the year were only \$195,42.24, thus leaving unexpended \$351,757,55. The inspection of beef animals for export and interstate trade has been continued and 12,944,056 head were inspected during the year at a cost of 1% cents per head, against 4% cents for issu. The amount of pork microscopically examined was 35,437,337 pounds, against 29,637,419 pounds in the preceding year. The cost of this inspection has been diminished from 8% cents per head in 1833 to 6% cents in 1834. The expense of inspecting the pork sold in 1854 to Germany and France by the United States was \$88,92210. The quantity inspected was greater by 15,000,000 pounds than during the preceding year, when the cost of such inspection was \$17,257,038.

The secretary of agriculture recommends that the law providing for the microscopic inspection of export and interstate meat be so amended as to compel owners of the meat inspected in his report in support of this recommendation.

The live beef cattle exported and tagged during the year numbered 363,535. This is an increase of 64,535 head over the previous year. The sanitary inspection of cattle shipped to Europe has cost an average of inspecting southern cattle and the disinfection of cars and stock yards averages 27 cents for each animal and the cost of inspecting southern cattle and the disinfection of cars and stock yards averages 27 cents per animal.

The scientific inquiries of the bureau of animal industry have propressed.

cents per animal.

The scientific inquiries of the bureau of animal industry have progressed steadily during the year. Much tuberculin and mallein have been furnished to state authorities for use in the agricultural colleges and experiment stations for the treatment of tuperiment stations for the treatment of tuberculosis and glanders. Quite recently this
department has published the results of its
investigations of bovine tuberculosis and its
researches will be vigorously continued.
Certain hereis in the District of Columbia
will be thoroughly inspected and will probably supply adequate scope for the department to intelligently prosecute its scientific work and furnish sufficient material
for purposes of illustration, description and
definition. The sterilization of milk suspected of containing the bacilli of tuberculosis has been during the year very thoroughly explained in a leaflet by Dr. D. E.
Salmon, the chief of the bureau, and given
general circulation throughout the country.
WORK OF ENPERIMENT STATIONS.

WORK OF EXPERIMENT STATIONS.

The office of experiment stations, which is part of the United States Department of Agriculture, has, during the past year, engaged itself almost wholly in preparing for publication works based upon the reports of agricultural experiment stations and other institutions for agricultural inquiry in the United States and foreign countries. The secretary, in his report for 1803, called attention to the fact that the appropriations made for the support of the experiment stations throughout the union were the only moneys taken out of the national treasury by act of congress for which no accounting to federal authorities was required. Responding to this suggestion the Fifty-third congress, in making its appropriation for the department for the fiscal year, provided that the secretary of agriculture shall prescribe the form of annual financial statement required by section 3 of said act of March 2, 1887; shall ascertain whether the expenditures under the appropriation hereby made are in acctriance with the provisions of said act, and shall make report thereon to congress.

The best work of the statistician of the Department of Agriculture is the ascertainment, by diligence and care, of the actual and real conditions, favorable or unfavorable, of the farmers and farms of the country, and to such causes which produce these conditions to the end that the facts ascertained may guide their intelligent treatment.

In obedience to the new law, the Department WORK OF EXPERIMENT STATIONS.

dimary expenses of the Indian services amounts to \$5,523,021,8 being less by \$855,586 than the sum appropriated on the same services are also as the sum appropriated on the same services and the sum appropriated on the same services and the sum of the provision of the same services and the sum of the provision of said act, and shall accertain at the end of the previous year. These shall precently made are in accordance of the provision of said act, and shall increase of 3,52 over the number reported at the end of the previous year. These shall proceed the provision of the same strong of of the same s